

UNITED STATES DISTRICT COURT FOR THE NORTHERN  
DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 5:19-cv-03709 BLF
	)	
WADE MALHAS,	)	
	)	
Defendant.	)	

**DECLARATION OF DEBT**

I, Nancy M. Beasley, declare as follows:

1. I am an FBAR Penalty Coordinator in the Internal Revenue Service, 985 Michigan Avenue, Detroit, Michigan.
2. As part of my regular duties, I am asked by the Department of Justice to access and review IRS records of FBAR penalties as they relate to specific individuals and to print a statement of balance due. The records I review are created at or near the time of the time of the act(s) or event(s) described by the records and are prepared by an IRS employee with knowledge of the act(s) or event(s). It is the regular practice of the IRS to create and preserve such records. In this case, I have been requested by the Department of Justice to provide balance information for the FBAR penalties of August 25, 2020.

3. To determine the current balance due on these liabilities, I accessed both the IRS FBAR database and the IRS account on the Bureau of the Fiscal Service's (BFS) Cross Servicing Next Generation (CSNG) system, which stores and tracks debtor account information. The FBAR penalty assessment is made by an FBAR penalty coordinator, who enters information into the IRS FBAR database related to the IRS's determination of a penalty. At or near the time an FBAR penalty assessment is made, our office sends the person assessed a Letter 3708 demanding payment of the FBAR penalty assessment (debt). If the IRS does not receive full payment within approximately 30 days, an FBAR penalty coordinator enters into CSNG the information pertaining to the debt, including the amount of the debt and the delinquency date. CSNG calculates interest and penalties on the debt based on the information entered, and also shows any collection costs charged by BFS related to the debt.

4. According to the information I reviewed in the IRS FBAR Database and CSNG, Wade Malhas has/have the following unpaid balances due for FBAR penalty assessments for the calendar years 2006, 2007 and 2008:

<u>Description</u>	<u>Balance Due as of</u> <u>08/25/2020</u>
Remaining Amount Due On Principal Amount of FBAR Penalty Assessment	\$524,638.00
Interest	\$13,281.25
31 U.S.C. § 3717(e)(2) Late- payment penalty	\$78,321.01

Collection Costs	\$0
TOTAL	\$616,240.26

5. Interest and delinquency penalties will continue to accrue at the rates specified in 31 U.S.C. §§ 3717 (a)(1) and (e)(2), until the debt is paid in full.

6. Costs related to processing and handling the debt will continue to be assessed pursuant to 31 U.S.C. § 3717 (e)(1).

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and accurate. Executed this 25th day of August, in Detroit, Michigan.

8/25/2020

X Nancy M. Beasley

Nancy Beasley

FBAR Penalty Coordinator

Signed by: Internal Revenue Service